*Revised 30th June 2023*

Text

Description automatically generated

COUNTY GOVERNMENT OF XXX

*(Indicate actual name of the County)*

CONSOLIDATED REPORTS AND FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED SEP/DEC/MARCH/ JUNE 20XX**

**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)**

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# Acronyms and Glossary of Terms

1. *Acronyms*

ADP Annual Development Plan

AIE Authority to Incur Expenditure

CA County Assembly

CARA County Allocation of Revenue Act

CECM County Executive Committee Member

CE County Executive

CG County Government

CIDP County Integrated Development Plan

CRA Commission on Revenue Allocation

CRF County Revenue Fund

CT County Treasury

IPSAS International Public Sector Accounting Standards

OCOB Office of the Controller of Budget

OAG Office of the Auditor General

PFM Public Finance Management

PSASB Public Sector Accounting Standards Board

NT National Treasury

WB World Bank

1. *Glossary of Terms*

Fiduciary Management The key management personnel who had financial responsibility

*(This list is an indication of acronyms and key terms; the County should include all from the annual report and financial statements prepared)*

# Key Entity Information and Management

1. **Background information**

The County is constituted as per the Constitution of Kenya is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

1. **Key Management**

The *entity’s* day-to-day management is under the following key organs:

| **No.** | **Designation** | **Name** |
| --- | --- | --- |
|  | Governor |  |
|  | Deputy Governor |  |
|  | County Executive Committee Members |  |
|  | County Secretary |  |
|  | Speaker of the County Assembly | **-** |
|  | Clerk of the County Assembly | **-** |
|  | Head of Departments | **-** |
|  |  | **-** |

1. **Fiduciary Management**

The key management personnel who held office during the financial year ended 30th June 20XX and who had direct fiduciary responsibility were:

| **No.** | **Designation** | **Name** |
| --- | --- | --- |
|  | CECM Finance and Economic Planning |  |
|  | Accounting Officer-xx Department |  |
|  | Accounting Officer- Clerk | **-** |
|  | Chief Finance Officer | **-** |
|  | Principal Accountant | **-** |
|  |  | **-** |

**Key Entity Information and Management (Continued)**

1. **Fiduciary Oversight Arrangements**

*Here, provide a high-level description of the key fiduciary oversight arrangements covering (say):*

* *Audit and finance committee activities*
* *Parliamentary committee activities*
* *Development partner oversight activities*
* *Other oversight activities*

1. **Entity Headquarters**

P.O. Box XXXXX

XXX Building/House/Plaza

XXX Avenue/Road/Highway

Nairobi, KENYA

1. **Entity Contacts**

Telephone: (254) XXXXXXXX

E-mail: XXXXXXXX.go.ke

Website: www.go.ke

1. **Entity Bankers**
2. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

Nairobi, Kenya

1. Other Commercial Banks

***(List details of other commercial banks*)**

**Key Entity Information and Management (Continued)**

1. **Independent Auditors**

Auditor General

Kenya National Audit Office

Anniversary Towers, University Way

P.O. Box 30084 GPO 00100

Nairobi, Kenya

1. **Principal Legal Adviser**

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

1. **County Attorney**

*(list details of other County Attorneys if any.)*

# Foreword by The CECM – Finance and Economic Planning

*Include the following:*

* + *Mention the budget performance against actual amounts for current period and for cumulative to-date based on programmes, (make use of pictures, tables pie charts and graphs)*
  + *Physical progress based on outputs, outcomes and impacts for the period for the County Government, (encouraged to use actual figures and percentages)*
  + *Comment on each of the County flagship projects and how they have been achieved.*
  + *Comment on value-for-money achievements,*
  + *List the implementation challenges of strategic objectives for the County and the County’s future outlook (here you could mention the budget allocation for the coming year/ period and the projects that the County wishes to undertake).*

|  |
| --- |
| **…………………………………………………..** |
| **CECM - CECM – Finance and Economic Planning** |
| **XXX County Government** |

# Statement of Management Responsibilities

Sections 163,166 and 168 of the Public Finance Management Act, 2012 requires that, at the end of each Quarter, the County Treasury shall prepare financial statements of each County Government entity, receiver of receipts and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government’s financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the period ended on *xxxx, 20xx.* This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government’s financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Government’s financial statements give a true and fair view of the state of the County Government’s transactions during the period ended on *xxxx, 20xx*, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government’s funds received during the period under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for finance confirms that the County Government’s financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The County Government’s Consolidated financial statements were approved and signed by the CEC member for finance on \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20xx.

|  |
| --- |
| **……………………………………………….** |
| **CECM – Finance and Economic Planning** |

# Statement of Receipts and Payments for the period ended Sep/Dec/March/June 20xx

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Note** | **Period ended Sep/Dec/March/June 20xx** | **Comparative period** |
|  |  | **Kshs** | **Kshs** |
| **RECEIPTS** |  |  |  |
| Exchequer releases | 1 | xx | xx |
| Transfers from other government agencies | 2 | xx | xx |
| Other grants | 3 | xx | xx |
| Proceeds from Domestic Borrowing | 4 | xx | xx |
| Proceeds from Foreign Borrowing | 5 | xx | xx |
| Own Source Revenue | 6 | xx | xx |
| Return to CRF issues | 7 | xx | xx |
| Proceeds from sale of assets | 8 | xx | xx |
| Miscellaneous Receipts | 9 | xx | xx |
| **TOTAL RECEIPTS** |  | **xx** | **xx** |
| **PAYMENTS** |  |  |  |
| Compensation of employees | 10 | xx | xx |
| Use of goods and services | 11 | xx | xx |
| Subsidies | 12 | xx | xx |
| Transfers to other government entities | 13 | xx | xx |
| Other grants and transfers | 14 | xx | xx |
| Social security benefits | 15 | xx | xx |
| Acquisition of assets | 16 | xx | xx |
| Finance costs, including loan interest | 17 | xx | xx |
| Repayment of principal on domestic & foreign Borrowing | 18 | xx | xx |
| Other payments | 19 | xx | xx |
| **TOTAL PAYMENTS** |  | **xxx** | **xxx** |
| **SURPLUS/DEFICIT** |  | **xxx** | **xxx** |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Consolidated financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20xx and signed by:

|  |  |
| --- | --- |
| **……………………………………….** | **……………………………………………** |
| **Name:** | **Name:** |
| **Chief Officer- Finance** | **Head of Treasury** |
|  | **ICPAK Member Number:** |

# Statement of Financial Assets and Liabilities as at Sep/Dec/March/June 20xx

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Note** | **Period ended**  **Sep/Dec/March/June 20xx** | **Comparative period** |
|  |  | **Kshs** | **Kshs** |
| **Financial assets** |  |  |  |
| **Cash and cash equivalents** |  |  |  |
| Bank balances | 20a | xxx | xxx |
| Cash balances | 20b | xxx | xxx |
| **Total cash and cash equivalents** |  | **xxx** | **xxx** |
| Imprests and advances | 22 | xxx | xxx |
| **Total financial assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Financial liabilities** |  |  |  |
| Third party deposits and retentions | 23 | xxx | xxx |
| **Net financial assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Represented by** |  |  |  |
| Fund balance b/fwd. | 24 | xxx | xxx |
| Prior year adjustments | 25 | xxx | xxx |
| Surplus/deficit for the year |  | xxx | xxx |
| **Net financial position** |  | **xxx** | **xxx** |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Consolidated County financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20xx and signed by:

|  |  |
| --- | --- |
| **………………………………….** | **………………………………………..** |
| **Name:** | **Name:** |
| **Chief Officer - Finance** | **Head of Treasury** |
|  | **ICPAK Member Number:** |

# Statement of Cash flows for the period ended Sep/Dec/March/June 20xx

|  | **Note** | **Period ended Sep/Dec/March/June 20xx** | **Comparative period** |
| --- | --- | --- | --- |
|  |  | **Kshs** | **Kshs** |
| **Receipts from operating income** |  |  |  |
|  |  |  |  |
| Exchequer releases | 1 | xx | xx |
| Transfers from other government agencies | 2 | xx | xx |
| Other grants | 3 | xx | xx |
| Own Source Revenue | 6 | xx | xx |
| Return to CRF issues | 7 | xx | xx |
| Miscellaneous receipts | 9 | xxx | xxx |
| **Total receipts** |  | **xxx** | **xxx** |
| **Payments for operating expenses** |  |  |  |
| Compensation of employees | 10 | xxx | xxx |
| Use of goods and services | 11 | xxx | xxx |
| Interest payments | 12 | xxx | xxx |
| Subsidies | 13 | xxx | xxx |
| Transfers to other government units | 14 | xxx | xxx |
| Other grants and transfers | 15 | xxx | xxx |
| Social security benefits | 16 | xxx | xxx |
| Finance costs, including loan interest | 17 | xxx | xxx |
| Other payments | 19 | xxx | xxx |
| **Total payments** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Net receipts/(payments)** |  | **xxx** | **xxx** |
| **Adjusted for:** |  |  |  |
| Decrease/(increase) in:(outstanding imprest) | 26 | xxx | xxx |
| Increase/(decrease) in: (deposits and retention) | 27 | xxx | xxx |
| Other adjustments | 25 | xxx | xxx |
|  |  |  |  |
| **Net cash flow from operating activities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Cashflow from investing activities** |  |  |  |
| Proceeds from sale of assets | 6 | xxx | xxx |
| Acquisition of assets | 16 | xxx | xxx |
| **Net cash flows from investing activities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Cashflow from borrowing activities** |  |  |  |
| Proceeds from domestic borrowings | 4 | xxx | xxx |
| Proceeds from foreign borrowings | 5 | xxx | xxx |
| Repayment of principal on domestic & foreign borrowing | 18 | xxx | xxx |
| **Net cash flow from financing activities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Net increase in cash and cash equivalent** |  | **xxx** | **xxx** |
| **Cash and cash equivalent at beginning of the year** | 20 | **xxx** | **xxx** |
| **Cash and cash equivalent at end of the year** | 20 | **xxx** | **xxx** |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Consolidated County financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20xx and signed by:

|  |  |
| --- | --- |
| **………………………………………..** | **………………………………………….** |
| **Name:** | **Name:** |
| **Chief Officer - Finance** | **Head of Treasury** |
|  | **ICPAK Member Number** |

# 

# Statement of Budgeted vs Actual Amounts: Recurrent and Development Combined

| **Receipt/expense item** | **Original Budget** | **Adjustments** | **Final Budget** | **Actual on comparable basis** | **Utilisation Difference** | **% Of Utilisation** |
| --- | --- | --- | --- | --- | --- | --- |
|  | a | b | c=a+b | d | e=c-d | f=d/c % |
| **Receipts** |  |  |  |  |  |  |
| Exchequer releases | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfers from other government agencies | xxx | xxx | xxx | xxx | xxx | xxx |
| Other grants | xxx | xxx | xxx | xxx | xxx | xxx |
| Proceeds from Domestic Borrowing | xxx | xxx | xxx | xxx | xxx | xxx |
| Proceeds from Foreign Borrowing | xxx | xxx | xxx | xxx | xxx | xxx |
| Own Source Revenue | xxx | xxx | xxx | xxx | xxx | xxx |
| Return CRF issues | xxx | xxx | xxx | xxx | xxx | xxx |
| Proceeds from sale of assets | xxx | xxx | xxx | xxx | xxx | xxx |
| Miscellaneous receipts | xxx | xxx | xxx | xxx | xxx | xxx |
| Opening balances for non-refundable bank balances | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Payments** |  |  |  |  |  |  |
| Compensation to employees | xxx | xxx | xxx | xxx | xxx | xxx |
| Use of goods and services | xxx | xxx | xxx | xxx | xxx | xxx |
| Subsidies | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfers to other government units | xxx | xxx | xxx | xxx | xxx | xxx |
| Other grants and transfers | xxx | xxx | xxx | xxx | xxx | xxx |
| Social security benefits | xxx | xxx | xxx | xxx | xxx | xxx |
| Acquisition of assets | xxx | xxx | xxx | xxx | xxx | xxx |
| Finance costs, including loan interest | xxx | xxx | xxx | xxx | xxx | xxx |
| Repayment of principal on borrowings | xxx | xxx | xxx | xxx | xxx | xxx |
| Other payments | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Surplus/deficit** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

[*Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]*

1. *Xxxx*
2. *Xxxx*
3. *Xxxx*
4. *Xxxx*
5. *Xxxx*

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23*) *The total actuals on comparable basis for the combined statement should tie to the totals under the Statement of Receipts and Payments.)*

The County Consolidated financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20xx and signed by:

|  |  |
| --- | --- |
| **………………………………………..** | **………………………………………….** |
| **Name:** | **Name:** |
| **Chief Officer - Finance** | **Head of Treasury Accounts** |
|  | **ICPAK Member Number** |

# Statement of Budgeted Vs Actual Amounts: Recurrent

| **Receipt/Expense Item** | **Original Budget** | **Adjustments** | **Final Budget** | **Actual on comparable basis** | **% Of Utilisation** |
| --- | --- | --- | --- | --- | --- |
|  | a | b | c=a+b | d | f=d/c % |
| **Receipts** |  |  |  |  |  |
| Exchequer releases | xxx | xxx | xxx | xxx | xxx |
| Transfers from other government agencies | xxx | xxx | xxx | xxx | xxx |
| Other grants | xxx | xxx | xxx | xxx | xxx |
| Proceeds from Domestic Borrowing | xxx | xxx | xxx | xxx | xxx |
| Proceeds from Foreign Borrowing | xxx | xxx | xxx | xxx | xxx |
| Own Source Revenue | xxx | xxx | xxx | xxx | xxx |
| Return CRF issues | xxx | xxx | xxx | xxx | xxx |
| Proceeds from sale of assets | xxx | xxx | xxx | xxx | xxx |
| Miscellaneous receipts | xxx | xxx | xxx | xxx | xxx |
| Opening balances for non-refundable bank balances | xxx | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Payments** |  |  |  |  |  |
| Compensation Of Employees | xxx | xxx | xxx | xxx | xxx |
| Use Of Goods And Services | xxx | xxx | xxx | xxx | xxx |
| Subsidies | xxx | xxx | xxx | xxx | xxx |
| Transfers To Other Government Units | xxx | xxx | xxx | xxx | xxx |
| Other Grants And Transfers | xxx | xxx | xxx | xxx | xxx |
| Social Security Benefits | xxx | xxx | xxx | xxx | xxx |
| Acquisition Of Assets | xxx | xxx | xxx | xxx | xxx |
| Finance Costs, Including Loan Interest | xxx | xxx | xxx | xxx | xxx |
| Repayment Of Principal On Borrowings | xxx | xxx | xxx | xxx | xxx |
| Other Payments | xxx | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Surplus/ Deficit** |  |  |  |  |  |

[*Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]*

1. *Xxxx*
2. *Xxxx*
3. *Xxxx*
4. *Xxxx*
5. *Xxxx*

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23*) *The totals under this statement when summed up with the totals under the development statement should tie with the combined statement.)*

The County Consolidated financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20xx and signed by:

|  |  |
| --- | --- |
| **………………………………………..** | **………………………………………….** |
| **Name:** | **Name:** |
| **Chief Officer - Finance** | **Head of Treasury Accounts** |
|  | **ICPAK Member Number** |

# Statement of Budget Vs Actual Amounts: Development

| **Receipt/expense item** | **Original Budget** | **Adjustments** | **Final Budget** | **Actual on comparable basis** | **Utilisation difference** | **% Of Utilisation** |
| --- | --- | --- | --- | --- | --- | --- |
|  | a | b | c=a+b | d | e=c-d | f=d/c % |
| **Receipts** |  |  |  |  |  |  |
| Exchequer releases | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfers from other government agencies | xxx | xxx | xxx | xxx | xxx | xxx |
| Other grants | xxx | xxx | xxx | xxx | xxx | xxx |
| Proceeds from Domestic Borrowing | xxx | xxx | xxx | xxx | xxx | xxx |
| Proceeds from Foreign Borrowing | xxx | xxx | xxx | xxx | xxx | xxx |
| Own Source Revenue | xxx | xxx | xxx | xxx | xxx | xxx |
| Return CRF issues | xxx | xxx | xxx | xxx | xxx | xxx |
| Proceeds from sale of assets | xxx | xxx | xxx | xxx | xxx | xxx |
| Miscellaneous receipts | xxx | xxx | xxx | xxx | xxx | xxx |
| Opening balances for non-refundable bank balances | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Payments** |  |  |  |  |  |  |
| Compensation of employees | xxx | xxx | xxx | xxx | xxx | xxx |
| Use of goods and services | xxx | xxx | xxx | xxx | xxx | xxx |
| Subsidies | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfers to other government units | xxx | xxx | xxx | xxx | xxx | xxx |
| Other grants and transfers | xxx | xxx | xxx | xxx | xxx | xxx |
| Social security benefits | xxx | xxx | xxx | xxx | xxx | xxx |
| Acquisition of assets | xxx | xxx | xxx | xxx | xxx | xxx |
| Finance costs, including loan interest | xxx | xxx | xxx | xxx | xxx | xxx |
| Repayment of principal on borrowings | xxx | xxx | xxx | xxx | xxx | xxx |
| Other payments | xxx | xxx | xxx | xxx | xxx | xxx |
| **Totals** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Surplus/ deficit** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

[*Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]*

1. *Xxxx*
2. *Xxxx*
3. *Xxxx*
4. *Xxxx*
5. *Xxxx*

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23*) *The totals under this statement when summed up with the totals under the recurrent statement should tie with the combined statement.)*

The County Consolidated financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20xx and signed by:

|  |  |
| --- | --- |
| **………………………………………..** | **………………………………………….** |
| **Name:** | **Name:** |
| **Chief Officer - Finance** | **Head of Treasury Accounts** |
|  | **ICPAK Member Number** |

# Budget Execution by Programmes and Sub-Programmes

| **Programme/Sub-Programme** | **Original Budget** | **Adjustments** | **Final Budget** | **Actual on comparable basis** | **Budget utilization difference** |
| --- | --- | --- | --- | --- | --- |
|  | **20xx** |  | **20xx** | **20xx** |  |
|  | **Kshs** | **%/ numbers** | **%/ numbers** | **Kshs** | **Kshs** |
| Programme 1 |  |  |  |  |  |
| Sub-Programme 1 |  |  |  |  |  |
| Sub-Programme 2 |  |  |  |  |  |
| Sub-Programme 3 |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |
| Programme 2 |  |  |  |  |  |
| Sub-Programme 1 |  |  |  |  |  |
| Sub-Programme 2 |  |  |  |  |  |
| Sub-Programme 3 |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |
|  |  |  |  |  |  |
| **Grand Total** |  |  |  |  |  |

*(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic****)***

# Notes to the Financial Statement

**Significant Accounting Policies**

The significant accounting policies adopted in the preparation of these financial statements are set out below:

1. **Statement of compliance and basis of preparation**

The Consolidated financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The Consolidated financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

1. **Reporting entity**

The Consolidated financial statements are for the *xxx* County Government. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 and comprises of (include all the consolidated entities for County Consolidated financial statements.)

The Consolidated financial statements include all budgetary entities controlled by the County Government. A detailed schedule of consolidated entities in included under appendix xxx.

1. **Basis of consolidation**

This consolidation is based on quarter reports and financial statements submitted by the individual entities to the National Treasury on xx **Sep/Dec/March/June 20xx** with a copy to the Controller of Budget, the County Treasury and the Commission for Revenue Allocation.

The financial statements are aggregated on a line-by-line basis with the inter-entity transactions of receipts and payment being eliminated at consolidation level to avoid overstatement of receipts or payments. The entities’ accounting policies have been adjusted to form a consistent basis, where their effect is deemed material to this consolidated financial statement.

**Significant Accounting Policies (Continued)**

1. **Elimination**

Material balances between entities included in this consolidation have been eliminated. This has been informed by the inter-entity elimination template that is completed by the entities and submitted to the County Treasury.

1. **Recognition of receipts and payments**

**a) Recognition of receipts**

The County Government recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the Government.

1. **Tax receipts**

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

1. **Transfers from the Exchequer**

Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

1. **External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners.

***Donations and grants***

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

***Proceeds from borrowing***

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the entity or any other debt the County Government may take on will be treated on cash basis and recognized as receipts during the year of receipt.

**Significant Accounting Policies (Continued)**

***Undrawn external assistance***

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely, and the project is anticipated to continue to completion. During the period ended **Sep/Dec/March/June 20xx** there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans. The amount of undrawn external assistance for the year is detailed in the notes.

1. **County Own Generated Receipts**

These includes Appropriation-in-Aid and relates to receipts such as trade licences, cess, fees, property income among others generated by the County Government from its citizenry. These are recognised in the financial statements the time associated cash is received.

**b) Recognition of payments**

The entity recognises all expenses when the event occurs, and the related cash has actually been paid out by the entity.

1. **Compensation of employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

1. **Use of goods and services**

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

1. **Interest on borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

1. **Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the County consolidated financial statements.

**Significant Accounting Policies (Continued)**

1. **Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

1. **In-kind contributions**

In-kind contributions are donations that are made to the *entity* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment, or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *entity* includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

1. **Third Party Payments**

This relates to payments done directly to supplier on behalf of the county governments such as national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county government is detailed in the notes to this financial statement.

1. **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**Restriction on cash**

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at xx **Sep/Dec/March/June 20xx**, this amounted to Kshs xxx compared to Kshs xxx in prior period as indicated on note xxxx. There were no other restrictions on cash during the year.

**Significant Accounting Policies (Continued)**

1. **Imprests an Advances**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

1. **Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

1. **Contingent Liabilities**

A contingent liability is:

* 1. A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
  2. A present obligation that arises from past events but is not recognised because:

1. It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
2. The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships,

The County does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

Section 185 (2) (i) of the PFM Act requires the County Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

**Significant Accounting Policies (Continued)**

1. **Contingent Assets**

The County does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the County in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset’s value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

1. **Non-current assets**

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

1. **Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the *entity* at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

1. **Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *entity’s* budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on xxx for the period 1st July 20xx-1 to 30 June 20xx as required by law. There was xxx number of supplementary budgets passed in the year. A high-level assessment of the *entity’s* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

1. **Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**Significant Accounting Policies (Continued)**

1. **Subsequent events**

Events subsequent to submission of the financial year end financial statements to the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of National Treasury.

1. **Prior Period Adjustment**

During the year, errors that have been corrected are disclosed *under note 26* explaining the nature and amounts.

1. **Related Party Transactions**

Related party means parties are related if one party has the ability to:

1. Control the other party or
2. Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Relates party transaction is a transfer of resources of obligations between related parties regardless of whether a price is charged.

1. **Disclosure of entities included in consolidation**

The County Government consolidated financial statements consist of a total of xxx entities consolidated for the financial year ended 30th June 20xx that are considered as budgetary entities. These entities, together with their results for the year are disclosed under appendix xxx.

1. **Disclosure of entities excluded from consolidation**

None of the entities eligible for consolidation under the County Government budgetary cluster for the period ended xx **Sep/Dec/March/June 20xx** has been excluded from consolidation or Entity xxx was not consolidated due to xxx (state reason(s)).

**Notes to the Financial Statements**

1. **Exchequer releases**

The following is an analysis by revenue type of the receipts collected in the County Revenue Fund:

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs.** | **Kshs.** |
| Equitable Share (a) | xx | xx |
| Level 5 hospitals (b) | xx | xx |
| Others *(Specify) (c)* | **xx** | **xx** |
| **Total (d=a+b+c)** | **xxx** | **xxx** |

1. **Transfers from other government agencies\*\***

|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
| --- | --- | --- |
|  | **Kshs.** | **Kshs.** |
| Road Maintenance Levy | xx | xx |
| Covid-19 | xx | xx |
| Development of Youth Polytechnics-State Department of TVETS | xx | xx |
| User Fees Foregone -Ministry of Health | xx | xx |
| World Bank -Transforming Health Systems for Universal Care Project (THUSP)-Ministry of Health | xx | xx |
| Word Bank-NARIGP-State Department of Crop Development | xx | xx |
| World Bank Kenya Climate Smart Agriculture (KCSAP) -State Department of Crop Development | xx | xx |
| DANIDA Grant -Primary Health care in devolved context -Ministry of Health | xx | xx |
| IDA (World Bank) Credit: Water & Sanitation Development Project (WSDP)-Min. Water, Sanitation and Irrigation | xx | xx |
| SIDA Agricultural Sector Development Support Programme II (ASDSP II)-State Department of Crop Development | xx | xx |
| Word Bank-Emergency Locust Response Project ( ILRP) State Department of Crop Development | xx | xx |
| Word Bank-Kenya Informal settlement improvement project (KISIP 11)-State Department of Housing & Urban Development | xx | xx |
| UNFPA-9th County Programme Implementation -Ministry of Health | xx | xx |
| EU Grant (Instruments for Devolution Advice and Support- (IDEAS)-State Department of Devolution | xx | xx |
| KfW German Development Bank- Drought Resilience Programme in Northern Kenya (DRPNK)-Min. Water, Sanitation and Irrigation | xx | xx |
| IDA World Bank National Agricultural Value Chain Development Project (NAVCDP) -State Department of Crop Development | xx | xx |
| (IDA) World Bank Credit-Financing locally Led climate programme (FFLoCA)1 CCIS Grant State Department of ….. | xx | xx |

*\*\* These include other government grants that do not pass through the Exchequer.*

1. **Other grants\*\***

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs.** | **Kshs.** |
| Donor 1 *(Specify)* | xx | xx |
| Donor 2 *(Specify)* | xx | xx |
| Donor 3 *(Specify)* | xx | xx |
| Others *(Specify)* | xx | xx |
|  | **xx** | **xx** |

*\*\* These are funds received from development partners directly through CRF*

1. **Proceeds from Domestic borrowing.**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs.** | **Kshs.** |
| Borrowing within General Government | xx | xx |
| Borrowing from Monetary Authorities (Central Bank) | xx | xx |
| Other Domestic Depository Corporations (Commercial Banks) | xx | xx |
| Borrowing from Other Domestic Financial Institutions | xx | xx |
| Borrowing from Other Domestic Creditors | xx | xx |
| Domestic Currency and Domestic Deposits | xx | xx |
| Others *(Specify)* | xx | xx |
| **Total** | **xx** | **xx** |

***(****Give a brief description of the nature and sources of borrowings including any assets pledged as security and the legal authority to borrow****)***

**Notes to the financial statements (continued)**

1. **Proceeds from Foreign Borrowing**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs.** | **Kshs.** |
| Foreign Borrowing – Drawdowns Through Exchequer | xx | xx |
| Foreign Borrowing - Direct Payments | xx | xx |
| Foreign Currency and Foreign Deposits | xx | xx |
| Others *(Specify)* | xx | xx |
| **Total** | **xx** | **xx** |

1. **Own Source Revenue**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs.** | **Kshs.** |
| Cess | xx | xx |
| Land/Poll rate | xx | xx |
| Single/Business permits | xx | xx |
| Property rent | xx | xx |
| Parking fees | xx | xx |
| Market fees | xx | xx |
| Advertising | xx | xx |
| Hospital fees | xx | xx |
| Public health service fees | xx | xx |
| Physical planning and development | xx | xx |
| Hire of County Assets | xx | xx |
| Conservancy administration | xx | xx |
| Administration control fees and charges | xx | xx |
| Park fees | xx | xx |
| Other fines, penalties, and forfeiture fees | xx | xx |
| Miscellaneous | xx | xx |
| Others *(Specify)* | xx | xx |
| **Total** | **xx** | **xx** |

*(The total of own source revenue should tally with disbursements from county receiver of revenue)*

**Notes to the financial statements (continued)**

1. **Return to CRF Issues**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs.** | **Kshs.** |
| Recurrent Account (*County Executive*) | xx | xx |
| Development Account (*County Executive*) | xx | xx |
| Recurrent Account (*County Assembly*) | xx | xx |
| Development Account (*County Assembly*) | xx | xx |
| Others *(Specify)* | xx | xx |
| **Total** | **xx** | **xx** |

1. **Proceeds From Sale Of Assets**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Receipts from the Sale of Buildings | xxx | xxx |
| Receipts from the Sale of Vehicles and Transport Equipment | xxx | xxx |
| Receipts from the Sale Plant Machinery  and Equipment | xxx | xxx |
| Receipts from Sale of Certified Seeds and Breeding Stock | xxx | xxx |
| Receipts from the Sale of Strategic Reserves Stocks | xxx | xxx |
| Receipts from the Sale of Inventories, Stocks and Commodities | xxx | xxx |
| Disposal and Sales of Non-Produced Assets | xxx | xxx |
| **Total** | **xxx** | **xxx** |

**Notes to the financial statements (continued)**

1. **Miscellaneous Receipts**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Tender Fees received | xxx | xxx |
| Other Receipts *(Specify)* | xxx | xxx |

*(Give a brief description of other receipts including write backs and recoveries where applicable)*

1. **Compensation of Employees**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Basic salaries of permanent employees | xxx | xxx |
| Basic wages of temporary employees | xxx | xxx |
| Personal allowances paid as part of salary | xxx | xxx |
| Personal allowances paid as reimbursements | xxx | xxx |
| Personal allowances provided in kind | xxx | xxx |
| Employer contribution to compulsory national social schemes | xxx | xxx |
| Employer contribution to compulsory national health insurance schemes | xxx | xxx |
| Pension and other social security contributions | xxx | xxx |
| Social benefit schemes outside government | xxx | xxx |
| Other personnel payments | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Give brief explanation including the comparative number of employees. Explain what other personnel costs relate to, explain significant change from prior period)*

**Notes to the Financial Statements (Continued)**

1. **Use of Goods and Services**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **KShs** |
| Utilities, supplies and services | xxx | xxx |
| Communication, supplies and services | xxx | xxx |
| Domestic travel and subsistence | xxx | xxx |
| Foreign travel and subsistence | xxx | xxx |
| Printing, advertising and information supplies & services | xxx | xxx |
| Rentals of produced assets | xxx | xxx |
| Training expenses | xxx | xxx |
| Hospitality supplies and services | xxx | xxx |
| Insurance costs | xxx | xxx |
| Specialized materials and services | xxx | xxx |
| Office and general supplies and services | xxx | xxx |
| Fuel, oil and lubricants | xxx | xxx |
| Other operating expenses | xxx | xxx |
| Routine maintenance – vehicles and other transport equipment | xxx | xxx |
| Routine maintenance – other assets | xxx | xxx |
| **Total** | **xxx** | **xxx** |

**Notes to the Financial Statements (Continued)**

1. **Subsidies**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Subsidies to Public Corporations |  |  |
| *See List Attached* | xxx | xxx |
| (Insert Name) | xxx | xxx |
| Subsidies to Private Enterprises |  |  |
| *See List Attached* | xxx | xxx |
| (Insert Name) | xxx | xxx |

*(Give explanation of the nature of subsidies and the kind of services that have been subsidised, explain significant change from prior period)*

1. **Transfer to Other Government entities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| **Transfers to county government entities** |  |  |
| See attached list (under annex xxx) | xxx | xxx |
|  |  |  |
| **Transfers to other counties** |  |  |
| (Insert name of budget agency) | xxx | xxx |
| (Insert name of budget agency) | xxx | xxx |
|  |  |  |
| **Transfers to national government entities** |  |  |
| Transfer to the council of governors | xxx | xxx |
| Transfer to xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Provide the nature and purpose of transfers and are these transfers to be recovered. The transfers under this note should be that done to self-reporting entities, explain significant change from prior period)*

**Notes to the Financial Statements (Continued)**

1. **Other Grants and Payments**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Scholarships and other educational benefits | xxx | xxx |
| Emergency relief and refugee assistance | xxx | xxx |
| Subsidies to small businesses, cooperatives, and self employed | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Provide explanation as to what other grants and payments relate to and who is the beneficiary explain significant change from prior period)*

1. **Social Security Benefits**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Government Pension and Retirement Benefits | xxx | xxx |
| Social Security Benefits | xxx | xxx |
| Employer Social Benefits | xxx | xxx |
| **Total** | xxx | xxx |

*(Explain where the benefits are remitted and who the beneficiaries are, explain significant change from prior period)*

**Notes to the Financial Statements (Continued)**

1. **Acquisition of Assets**

|  |  |  |
| --- | --- | --- |
| **Non- financial assets** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Purchase of buildings | xxx | xxx |
| Construction of buildings | xxx | xxx |
| Refurbishment of buildings | xxx | xxx |
| Construction of roads | xxx | xxx |
| Construction and civil works | xxx | xxx |
| Overhaul and refurbishment of construction & civil works | xxx | xxx |
| Purchase of vehicles and other transport equipment | xxx | xxx |
| Overhaul of vehicles and other transport equipment | xxx | xxx |
| Purchase of household furniture and institutional equipment | xxx | xxx |
| Purchase of office furniture and general equipment | xxx | xxx |
| Purchase of specialized plant, equipment and machinery | xxx | xxx |
| Rehabilitation and renovation of plant, machinery and equip. | xxx | xxx |
| Purchase of certified seeds, breeding stock and live animals | xxx | xxx |
| Research, studies, project preparation, design & supervision | xxx | xxx |
| Rehabilitation of civil works | xxx | xxx |
| Acquisition of strategic stocks and commodities | xxx | xxx |
| Acquisition of land | xxx | xxx |
| Acquisition of intangible assets | xxx | xxx |
| **Total acquisition of non- financial assets** | **xxx** | **xxx** |
| **Financial assets** |  |  |
| Domestic public non-financial enterprises | xxx | xxx |
| Domestic public financial institutions | xxx | xxx |
| **Total acquisition of financial assets** | xxx | xxx |
| **Total acquisition of assets** | **xxx** | **xxx** |

**Notes to the Financial Statements (Continued)**

1. **Finance Costs, including Loan Interest**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Interest payments on foreign borrowings | xxx | xxx |
| Interest payments on guaranteed debt taken over by govt | xxx | xxx |
| Interest on domestic borrowings (non-govt) | xxx | xxx |
| Interest on borrowings from other government units | xxx | xxx |
| **Total** | **xxx** | **xxx** |

(Explain *significant change from prior period)*

1. **Repayment of Principal on Domestic Lending and On-Lending**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Repayments on borrowings from domestic | xxx | xxx |
| Principal repayments on guaranteed debt taken over by government | xxx | xxx |
| Repayments on borrowings from other domestic creditors | xxx | xxx |
| Repayment of principal from foreign lending & on – lending | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Explain significant change from prior period)*

1. **Other Payments**

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Budget Reserves | xxx | xxx |
| Civil Contingency Reserves | xxx | xxx |
| Other payments | xxx | xxx |
|  | **xxx** | **xxx** |

*(Provide explanation as to what each component of other expenses relates to, explain significant change from prior period)*

**Notes to The Financial Statements (Continued)**

1. A Bank Balances

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name Of Bank, Account No. & Currency** | **Account Number** | **Indicate whether recurrent, Development, deposit, receipts etc.** | **Period ended Sep/**  **Dec/March/June 20xx** | **Prior period audited** |
|  |  |  | **Kshs** | **Kshs** |
| *Name Of Bank, Account No. & Currency* |  | CRF | xxx | xxx |
| *Name Of Bank, Account No. & Currency* |  | Development | xxx | xxx |
| *Name Of Bank, Account No. & Currency* |  | Recurrent | xxx | xxx |
| *Name Of Bank, Account No. & Currency* |  | Deposit | xxx | xxx |
| Name of Bank Account and Currency (Commercial |  | Imprest | xxx |  |
| **Total** |  |  | **xxx** | **xxx** |

\*Amount should be as per amount in the cash book.

### 20B. Cash in Hand

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Prior period audited** |
|  | **Kshs** | **Kshs** |
| Cash in Hand – Held in Domestic Currency | xxx | xxx |
| Cash in Hand – Held in Foreign Currency | xxx | xxx |
| **Total** | **xxx** | **xxx** |

**Notes to The Financial Statements (Continued)**

Cash in hand should also be analysed as follows:

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Prior period audited** |
|  | **Kshs** | **Kshs** |
| Location 1 | xxx | xxx |
| Location 2 | xxx | xxx |
| Location 3 | xxx | xxx |
| Other Locations (*Specify)* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*[Provide cash count certificates for each]*

1. **Imprests and Advances**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Prior period audited** |
|  | **Kshs** | **Kshs** |
| Government Imprests | xxx | xxx |
| Clearance Accounts | xxx | xxx |
| ***Total*** | **xxx** | **xxx** |

*[Include a breakdown of the outstanding imprest as an annex to the notes.*

### Third Party Deposits and Retentions

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Prior period audited** |
|  | **Kshs** | **Kshs** |
| Deposits | xxx | xxx |
| Retentions | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*[Provide short appropriate explanations as necessary]*

**Notes to The Financial Statements (Continued)**

### Fund Balance Brought Forward

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Bank accounts | xxx | xxx |
| Cash in hand | xxx | xxx |
| Imprests and advances | xxx | xxx |
| Third party deposits and retentions | (xxx) | (xxx) |
| **Total** | **xxx** | **xxx** |

*[Provide short appropriate explanations as necessary]*

### Prior Year Adjustments - a prior period adjustment really applies to the correction of an error in the financial statements of a prior period

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Balance b/f from**  **Previous FY as per audited financial statements** | **Adjustments**  **during the year relating to prior periods** | **Adjusted \*\***  **Balance b/f**  **For previous FY** |
| **Description of the error** | **Kshs** | **Kshs** | **Kshs** |
| Bank Account Balances | xxx | xxx | xxx |
| Cash In Hand | xxx | xxx | xxx |
| Imprests and advances | xxx | xxx | xxx |
| Third party deposits and retentions | xxx | xxx | xxx |
| Others (*Specify*) | xxx | xxx | xxx |
|  | **xxx** | **xxx** | **xxx** |

(Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy.)

**Notes to The Financial Statements (Continued)**

### Increase/ (Decrease) in Outstanding Imprests and Advances

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Imprest and Advances as at 1st July/ (A) | xxx | xxx |
| Imprest and Advances at the end of the period(B) | xxx | xxx |
| Increase)/ Decrease In Imprest and Advances (C=(B-A)) | **xxx** | **xxx** |

*(Receivable as at 1St July for current year should be the same as receivable as at 30th June for previous year*

### Increase/ (Decrease) in Deposits and Retention

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| Deposits and Retentions as at 1st July | xxx | xxx |
| Deposits and Retention at the end of the period (B) | xxx | xxx |
| Increase/ (Decrease) in Deposits and Retentions C= B-A | **xxx** | **xxx** |

*(Payables as at 1St July for (current year) should be the same as Payable as at 30th June for FY (previous year)*

**Other Important Disclosures**

### Pending Accounts Payable (See Annex 1)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Balance b/f**  **Insert previous FY** | **Additions for the Quarter** | **Paid during the Quarter** | **Balance c/f**  **(Insert current FY** |
| **Description** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| Construction of Buildings | xxx | xxx | (xxx) | xxx |
| Construction of Civil Works | xxx | xxx | (xxx) | xxx |
| Supply of Goods | xxx | xxx | (xxx) | xxx |
| Supply of Services | xxx | xxx | (xxx) | xxx |
| **Total** | **xxx** | **xxx** | **(xxx)** | **xxx** |

### Pending Staff Payables (See Annex 2)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Balance b/f**  **Q-1** | **Additions for the period** | **Paid during the quarter** | **Balance c/f**  **Q** |
| **Description** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| Senior Management | xxx | xxx | (xxx) | xxx |
| Middle Management | xxx | xxx | (xxx) | xxx |
| Unionisable mployees | xxx | xxx | (xxx) | xxx |
| Others | xxx | xxx | (xxx) | xxx |
| **Total** | **xxx** | **xxx** | **(xxx)** | **xxx** |

### Other Pending Payables (See Annex 3)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Balance b/f**  **Q-1** | **Additions for the period** | **Paid during the quarter** | **Balance c/f**  **Q** |
| **Description** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| Amounts due to National Government entities | xxx | xxx | (xxx) | xxx |
| Amounts due to County Government entities | xxx | xxx | (xxx) | xxx |
| Amounts Due to third parties | xxx | xxx | (xxx) | xxx |
| **Total** | **xxx** | **xxx** | **(xxx)** | **xxx** |

**Other Important Disclosures**

### Investments

Investments represent the County Government’s investment in local entities. These investments are recognised at nominal value and where denominated in foreign currency, these are translated at closing exchange rate as at 30th xxx

|  |  |  |
| --- | --- | --- |
| **Details** | **Period ended Sep/**  **Dec/March/June 20xx** | **Prior year audited** |
|  | **Kshs** | **Kshs** |
| Investment in County Corporations | xxx | xxx |
| Investment in County Linked entities | xxx | xxx |
| **Total** | **xxx** | **xxx** |

Detailed breakdown of these investments including the shareholding percentage is provided under the Annex 4.

### 

# Annexes

### Annex 1 – Analysis of Transfers from Exchequer

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Period** | **Equitable Share** | **DANIDA** | **Level 5 hospitals allocation** | **Total Transfers from the National Treasury** |
| Exchequer releases for Quarter 1 |  |  |  |  |
| Exchequer releases for Quarter 1 |  |  |  |  |
| Exchequer releases for Quarter 1 |  |  |  |  |
| Exchequer releases for Quarter 1 |  |  |  |  |
| **Total** |  |  |  |  |

### Annex 2 – Analysis of Pending Accounts Payable

| **Supplier of Goods or Services** | **Original Amount** | **Date Contracted** | **Amount Paid To-Date** | **Outstanding Balance**  **Q** | **Outstanding Balance**  **Q-1** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
|  | A | B | C | d=a-c |  |  |
| **Construction of Buildings** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Construction of Civil Works** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Supply of Goods** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Supply of Services** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Grand Total** |  |  |  |  |  |  |

### Annex 3 – Analysis of Pending Staff Payables

| **Name of Staff** | **Job Group** | **Original Amount** | **Date Payable Contracted** | **Amount Paid To-Date** | **Outstanding Balance**  **Q** | **Outstanding Balance**  **Q-1** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | a | B | c | d=a-c |  |  |
| **Senior Management** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Middle Management** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Unionisable Employees** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Others (*specify*)** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Grand Total** |  |  |  |  |  |  |  |

### Annex 4 – Analysis of Other Pending Payables

| **Name** | **Brief Transaction Description** | **Original Amount** | **Date Payable Contracted** | **Amount Paid To-Date** | **Outstanding Balance**  **Q** | **Outstanding Balance**  **Q-1** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | A | B | C | d=a-c |  |  |
| **Amounts due to National Govt entities** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Amounts due to County Govt entities** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Amounts due to Third Parties** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Others (*Specify*)** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |  |
| **Grand Total** |  |  |  |  |  |  |  |

**Annex 5: Analysis of imprest and outstanding imprests**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of Officer or Institution** | **Date Imprest Taken** | **Amount Taken** | **Amount Surrendered** | **Balance** |
|  |  | **Kshs** | **Kshs** | **Kshs** |
| Name of Officer or Institution | dd/mm/yy | xxx | xxx | xxx |
| Name of Officer or Institution | dd/mm/yy | xxx | xxx | xxx |
| **Total** |  |  |  | **xxx** |

### Annex 6 – Summary of Fixed Asset Register

| **Asset Class** | **Historical Cost b/f**  **(Kshs)**  **20xx-1** | **Additions during the year**  **(Kshs)** | **Disposals during the year**  **(Kshs)** | **Transfers in/(out) during the year** | **Historical Cost c/f**  **(Kshs)**  **20xx** |
| --- | --- | --- | --- | --- | --- |
| Land |  |  |  |  |  |
| Buildings and Structures |  |  |  |  |  |
| Transport Equipment |  |  |  |  |  |
| Office Equipment, Furniture and Fittings |  |  |  |  |  |
| ICT Equipment |  |  |  |  |  |
| Other Machinery and Equipment |  |  |  |  |  |
| Heritage and Cultural Assets |  |  |  |  |  |
| Biological Assets |  |  |  |  |  |
| Intangible Assets |  |  |  |  |  |
| I Infrastructure Assets |  |  |  |  |  |
| Work in Progress |  |  |  |  |  |
| **Total** |  |  |  |  |  |

*NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Government. Additions during the year should tie to note 18 on acquisition of assets during the year*.

### Annex 7 – Summary of Financial Performance and Statement of Assets and Liabilities for County Government Entities

| **Ref** | **Entity** | **Percentage of shareholding** | **Total receipts**  **Kshs** | **Total payments**  **Kshs** | **Surplus/ Deficit**  **Kshs** | **Total Assets**  **Kshs** | **Total Liabilities**  **Kshs** | **Fund balance**  **Kshs** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | County Assembly |  |  |  |  |  |  |  |
| 2 | xx Fund |  |  |  |  |  |  |  |
| 3 | xx Project |  |  |  |  |  |  |  |
| 4 | xx Board |  |  |  |  |  |  |  |
| 5 | xx Corporation |  |  |  |  |  |  |  |
| 6 | xx |  |  |  |  |  |  |  |
| 7 | xx |  |  |  |  |  |  |  |
| 8 | xx |  |  |  |  |  |  |  |
| **9** | **Total** |  |  |  |  |  |  |  |